



HENDERSON COUNTY'S 2019 REAPPRAISAL

February 20, 2019

Presented by:

Darlene Burgess

Henderson County Tax Administrator

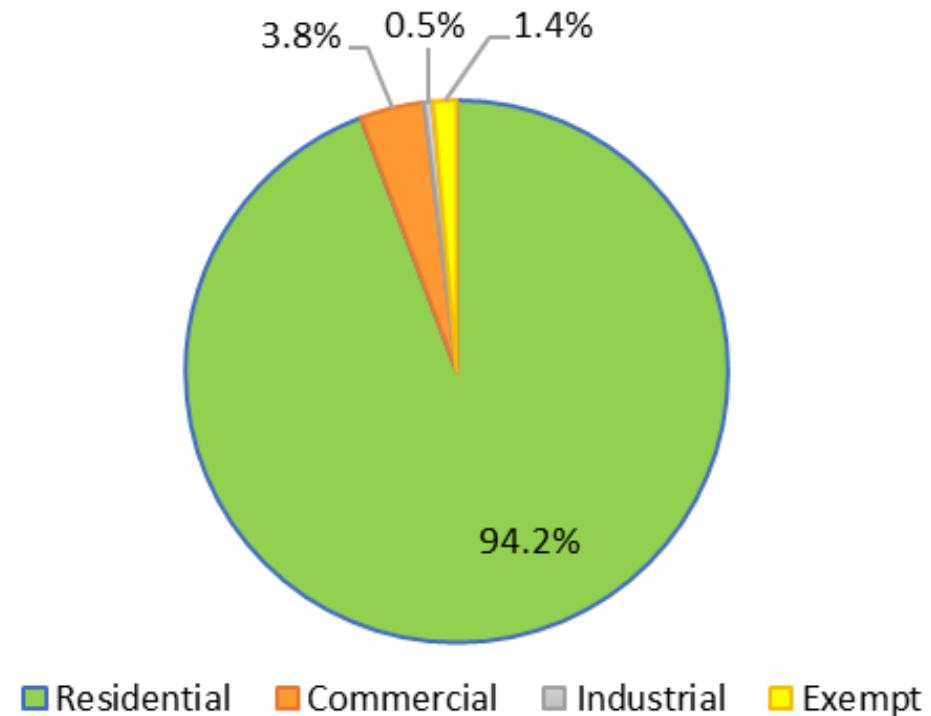
What is a Reappraisal?

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Henderson County's Demographics ...

- Henderson County has approximately 68,000 parcels
- Approximately 43,000 (63%) of these parcels are improved, meaning a structure is located on the parcel

Parcel Type Breakdown



Why is a Reappraisal Necessary?

- The County Assessor is responsible for conducting Reappraisals.
- The purpose of the 2019 Reappraisal is to appraise all real property at 100% of its current market value as of January 1, 2019.
- Real property includes land, buildings, structures and improvements.
- Reappraisals promote equity among all classes of taxable property.
 - Personal property, motor vehicles and public service properties are appraised annually.
 - Subject to certain conditions, Real Property is appraised only in the year of Reappraisal.
- Reappraisals ensure that property owners pay only their fair share of services rendered by local government.
- State law directs counties to perform a reappraisal of all real property at least once every 8 years (GS 105-286(a)(1)).
- Since 1995, Henderson County has conducted reappraisals every 4 years (GS 105-286(a)(3))
 - Henderson County conducts “in-house” reappraisals.
 - Our appraisal staff consists of 9 appraisers, a manager, an appraisal support analyst and one clerical assistant.
 - All appraisers are certified as Real Property Appraisers by the NC Department of Revenue.

How are property values determined?

- State Law (NCGS 105-283) provides that real property be valued at its “true value in money”.

“True value in money” means market value – “...the price estimated in terms of money at which the property would change hands between a willing and financially able buyer and a willing seller, neither being under any compulsion to buy or to sell and both having reasonable knowledge of all the uses to which the property is adapted and for which it is capable of being used.”

- Market value is determined by the most recent sales activity in the local real estate market.
- Only arms-length transactions are used to measure market value. Short sales, foreclosures, multi-parcel sales or other types of sales that are not arms-length transactions are not used to measure market value.
- Properties under construction will be appraised at the percentage of completion as of January 1, 2019.
- Property values can change during a non-reappraisal year due to physical changes that are made to the property.

How is a Reappraisal Accomplished?

- Throughout the mass appraisal process, appraisers adhere to standards and guidelines established by statute, the Department of Revenue, the International Association of Assessing Officers (IAAO) and Uniform Standards of Professional Appraisal Practice (USPAP).
- The Assessor utilizes “Mass Appraisal” to value property.
 - Uniform or similar properties are grouped together and valued to ensure fair and equitable values.
 - Mass Appraisal costs much less than the typical fee appraisal and allows the Assessor to value the County’s many parcels in a relatively short period of time.
- Statistical analyses are used to measure uniformity and equity in the Mass Appraisal process.
- Appraisal staff devotes substantial effort to collect and update data on properties.
 - Field visits are conducted to verify the property characteristics that are on file.
 - As building permits are issued, Appraisers visit the property to follow the construction progress and collect information needed to appraise the property.
 - As property ownership transfers, Appraisal staff visit the property to verify property characteristics as well as to compute the Sales Assessment Ratio.

How is a Reappraisal Accomplished? (Continued)

- The valuation process involves analyzing the most recent qualified sales that have occurred within each neighborhood to uniformly appraise all properties within the neighborhood.
- After a neighborhood is valued, it goes through a quality control process and is reviewed several times by supervisory staff.
- Technology is used extensively during the Reappraisal process.
- National valuation manuals and other independent resources are used to strengthen and validate the accuracy of our appraisals.
- The local real estate market is continuously monitored throughout the Reappraisal process.
- Most recent comparable sales are given the most weight during the valuation process.

What about the Local Real Estate Market?

- Sales within Henderson County are strong.
- Building is growing both in the residential and commercial markets.
- The median home price is an important market indicator and is derived from Henderson County sales.
 - As of January, 2019, Henderson County's median home price is \$271,128.
 - The median home price means that ½ of the homes sold below the median and ½ the homes sold above the median
- According to the current market*:
 - Homes priced below \$399,999 represent a sellers market
 - Homes priced between \$400,000 and \$599,999 represent a balanced market and
 - Homes priced over \$600,000 represent a buyers market
- The median home price is an indicator of the market and is derived from homes that have sold. It cannot be used solely to estimate the value of all of the County's properties.

*Source: Beverly Hanks 2018 Year End Market Report

What about the Local Real Estate Market? (Continued)

HISTORY OF HENDERSON COUNTY MEDIAN HOME PRICES									
	SINGLE FAMILY DWELLING			CONDO - TOWNHOMES			ALL PROPERTY TYPES		
Year	Median Sales Price	Average Days on Market	Months Supply	Median Sales Price	Average Days on Market	Months Supply	Median Sales Price	Average Days on Market	Months Supply
2019	\$ 271,128	56	4.20	\$ 189,000	44	2.70	\$ 242,000	75	8.90
2018	\$ 250,000	65	4.20	\$ 181,125	43	2.00	\$ 224,700	79	9.00
2017	\$ 229,500	69	4.60	\$ 161,500	51	2.50	\$ 203,000	82	9.60
2016	\$ 219,700	119	6.90	\$ 162,500	100	4.10	\$ 192,000	126	12.50
2015	\$ 200,000	143	9.30	\$ 155,000	156	7.70	\$ 177,500	158	16.00
2014	\$ 192,500	143	10.70	\$ 133,000	174	11.70	\$ 169,000	160	19.70
2013	\$ 183,500	158	12.50	\$ 137,500	199	17.80	\$ 165,000	166	23.80
2012	\$ 174,500	177	15.50	\$ 131,250	219	22.40	\$ 160,000	184	29.10
2011	\$ 190,000	171	15.90	\$ 155,000	209	16.10	\$ 175,000	180	27.70
2010	\$ 198,000	148	12.90	\$ 149,450	166	14.60	\$ 175,000	157	22.40
2009	\$ 220,000	133	4.40	\$ 148,405	110	4.30	\$ 187,500	132	6.20
2008	\$ 232,000	96	2.80	\$ 155,600	83	3.60	\$ 195,000	108	3.30

Data includes traditional sales only (no foreclosures or short sales) as of January 1 of each year listed

Reappraisal Years are highlighted in Yellow

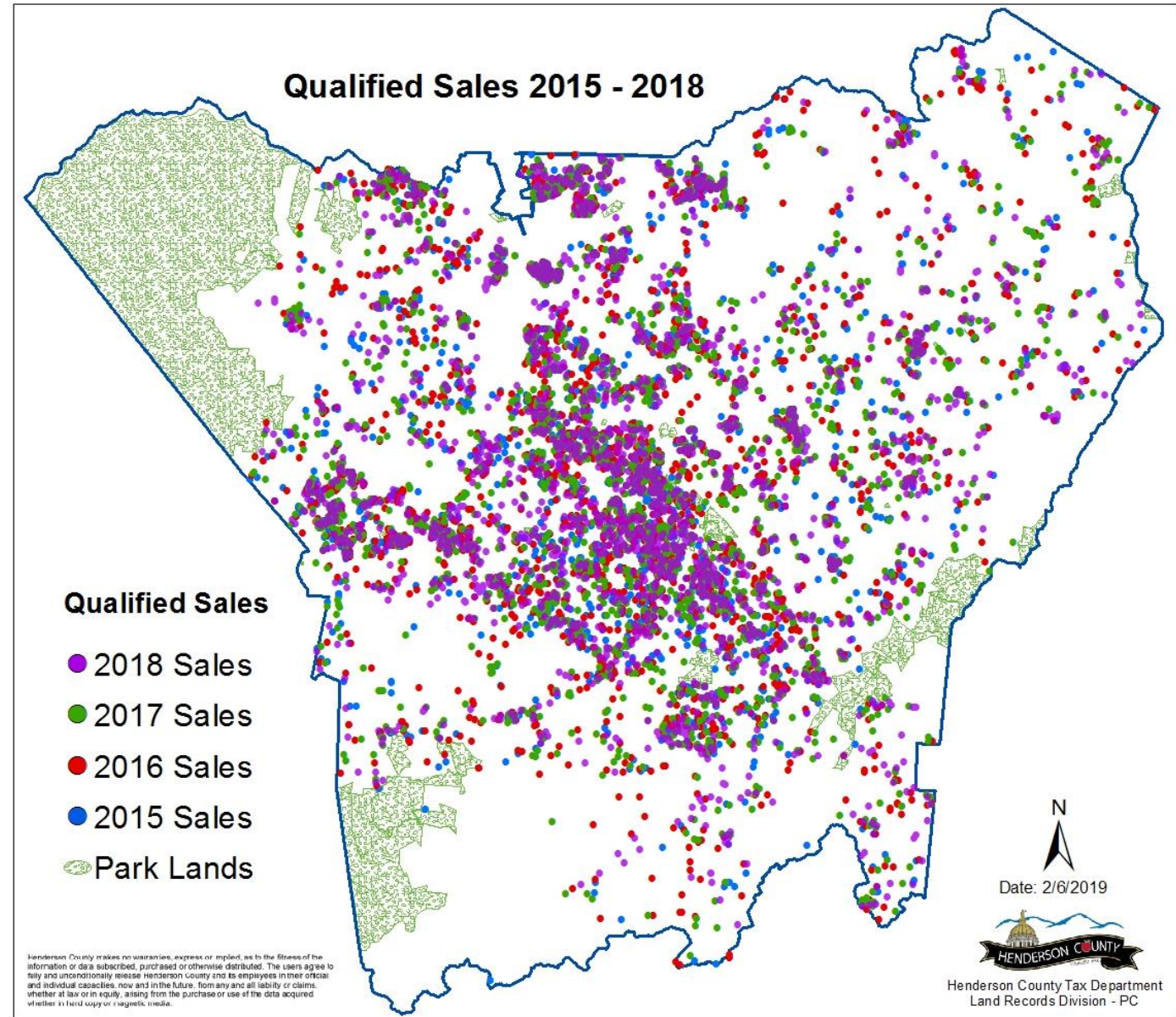
The median home price increase between 2015 and January, 2019 represents a 35.6% increase

The median home price increase between 2008* and January, 2019 represents a 16.9% increase.

*2008 was before the recession strongly influenced the local real estate market

What about the Local Real Estate Market? (Continued)

Where are the sales occurring?



What about the Local Building Market? (Continued)

- The number of building permits continues to rise.
- During 2018,
 - 1,907 residential permits were issued at an estimated construction cost of \$175,457,616
 - 361 commercial permits were issued at an estimated construction cost of \$104,303,743

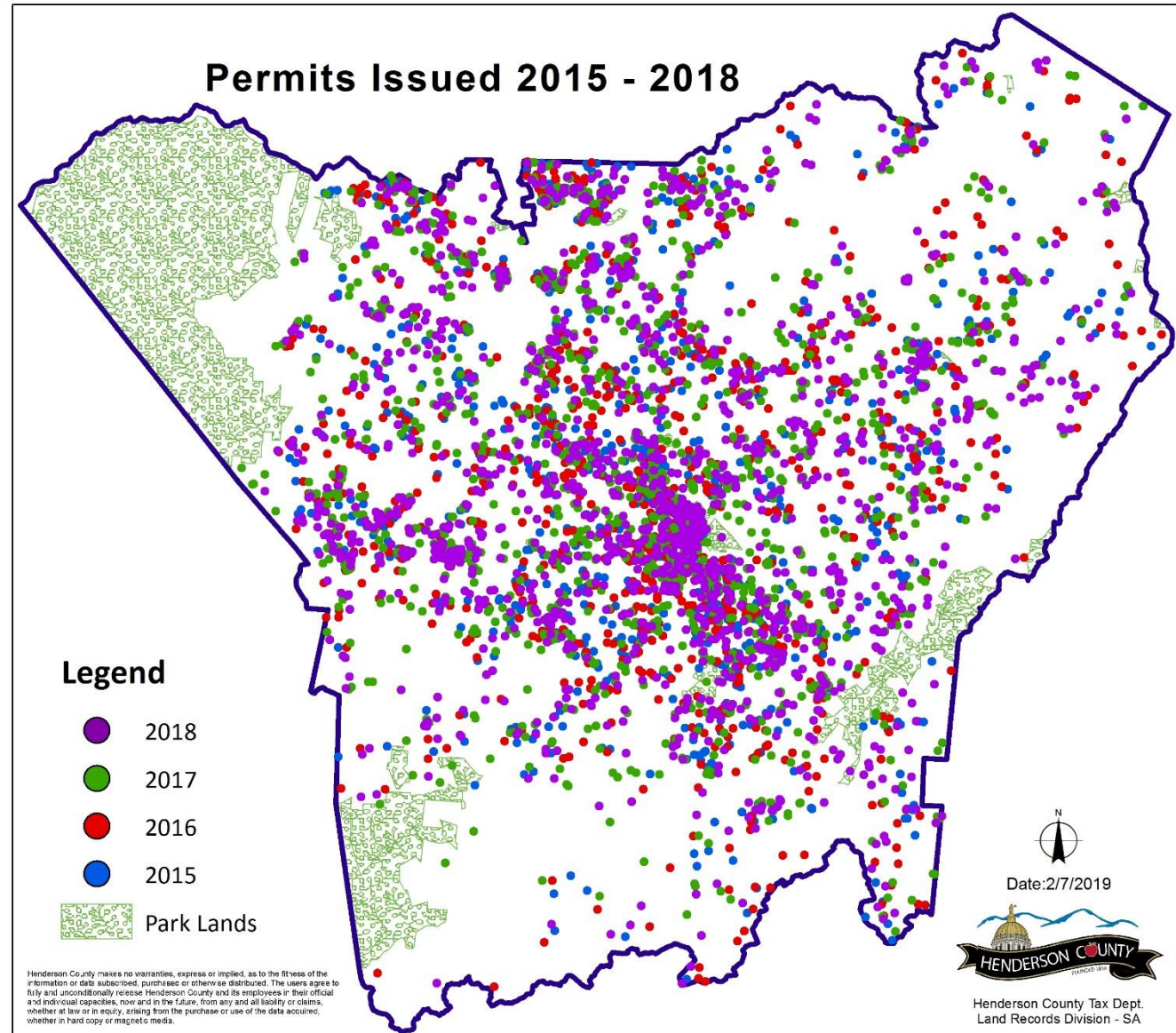
HISTORY OF BUILDING PERMITS ISSUED					
Year	RESIDENTIAL				COMMERCIAL
	New Construction Permits	Additions / Remodel Permits	Manufactured Homes	Total Residential Permits	New Construction & Addition/Remodel
2018	834	917	156	1,907	361
2017	596	801	153	1,550	277
2016	555	651	188	1,394	285
2015	616	701	133	1,450	350
2014	339	766	143	1,248	296
2013	468	629	131	1,228	264
2012	462	580	128	1,170	303
2011	253	537	99	889	239
2010	223	580	99	902	209
2009	311	546	201	1,058	226
2008	444	573	185	1,202	281

Residential Building Permits issued between 2015 and January, 2019 represent a 31.5% increase
 Residential Building Permits issued between 2008* and January, 2019 represent a 58.7% increase.

*2008 was before the recession strongly influenced the local real estate market

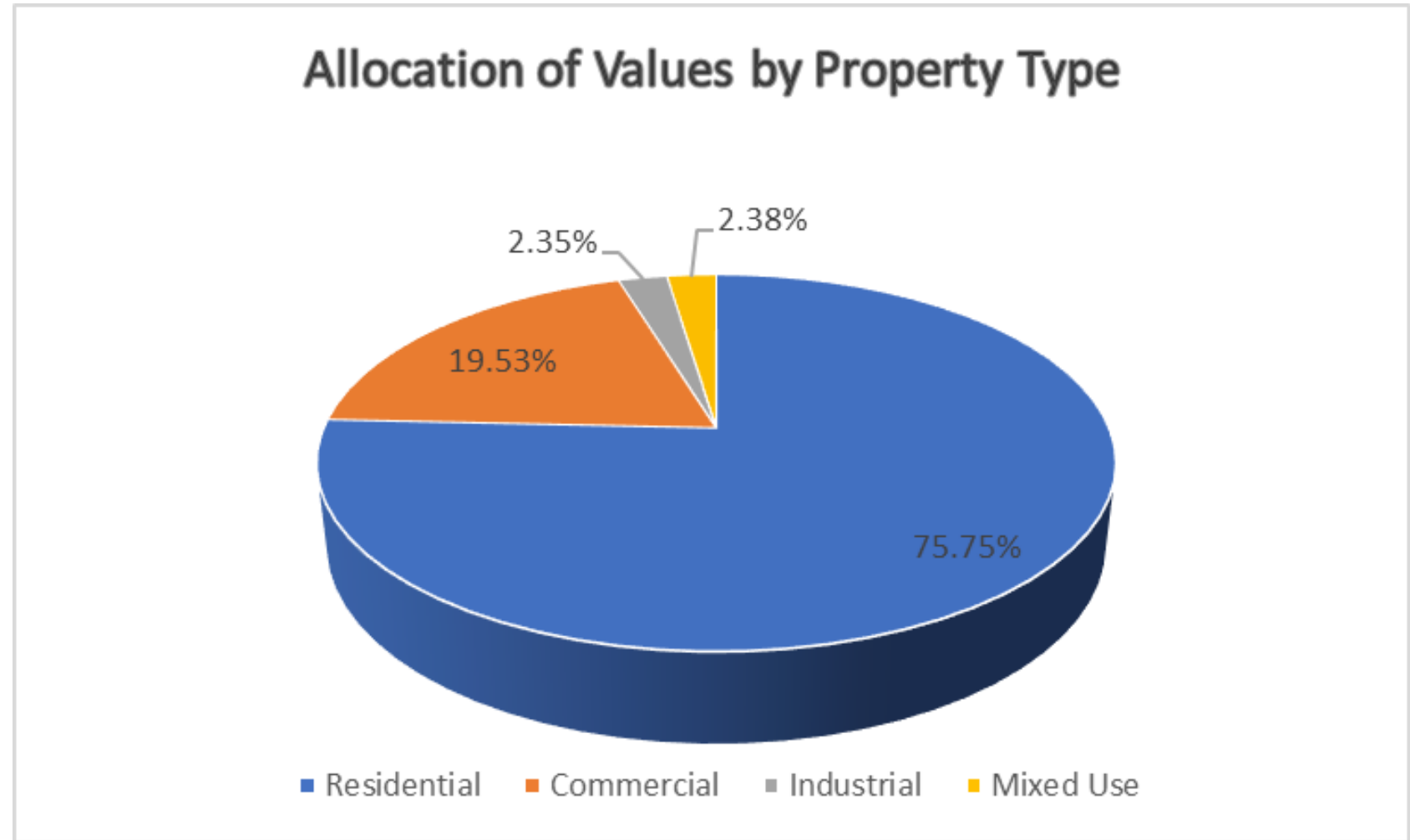
What about the Local Building Market? (Continued)

Where is construction occurring?



What about Residential vs. Business Property?

How are property values allocated among different property types?



How does the Reappraisal affect the Countywide Tax Base?

- The information below represents the percentage of increase based on the 2018 v. 2019 Real Property tax base.
- **These amounts are preliminary and should not be used for budgetary purposes. Tax base projections will be presented to each taxing unit. Real property values will be adjusted downward to account for value at risk resultant from the appeal process. The tax base is not final until the appeal process is concluded.**
- It's important to note that this is a Countywide average
 - Values within Neighborhoods in the county changed at different rates
 - Values of individual properties within Neighborhoods changed at different rates

COUNTYWIDE INCREASE IN REAL PROPERTY TAX BASE 2018 V 2019	
	Taxable Value
2019 Real Property Value	\$ 13,482,074,813
2018 Real Property Value	\$ 11,455,829,467
Increase in Base: \$	\$ 2,026,245,346
Increase in Base: %	17.69%

How does the Reappraisal affect the Countywide Tax Base?

- The Sales Assessment Ratio (SAR) compares the County's appraised value to the sales that occur. It measures the level of assessment.
- The SAR should be as close as possible to 100%.
- The Countywide SAR (based on the Reappraisal values) is currently 99.33%. This means that we are assessing property at 99.33% of the property's fair market value.
- Our previous SAR was 81.73%.
- When the SAR falls below 85% in the 4th or 7th year following a reappraisal, Public Service values must be equalized, which means that the County may lose a portion of Public Service revenue (GS §105-284(b)). This scenario was avoided by conducting the 2019 Reappraisal.

COUNTYWIDE SALES ASSESSMENT RATIO 2018 V 2019	
2019 Sales Assessment Ratio	99.33%
2018 Sales Assessment Ratio	81.73%
Increase in SAR	17.60%

How does the Reappraisal affect the Tax Base in Henderson County's Municipalities and Fire Districts?

- The information on the following slide represents the percentage of increase based on the 2018 v. 2019 Real Property tax base.
- **These amounts are preliminary and should not be used for budgetary purposes. Tax base projections will be presented to each taxing unit. Real property values will be adjusted downward to account for value at risk resultant from the appeal process. The tax base is not final until the appeal process is concluded.**
- It's important to note that this is an average.
 - Values within Neighborhoods in the county changed at different rates.
 - Values of individual properties within Neighborhoods changed at different rates.

How does the Reappraisal affect the Tax Base for Municipalities?


MUNICIPAL AREAS: INCREASE IN REAL PROPERTY TAX BASE 2018 V 2019				
	Taxable Value: 2019 PRELIMINARY	Taxable Value: 2018 ACTUAL BILLED	Increase in Base: \$	Increase in Base: %
Downtown District * (Special District)	\$ 106,937,600	\$ 75,506,000	\$ 31,431,600	41.63%
7th Avenue District * (Special District)	\$ 17,186,900	\$ 13,268,700	\$ 3,918,200	29.53%
City of Hendersonville	\$ 1,878,844,278	\$ 1,497,465,499	\$ 381,378,779	25.47%
Town of Laurel Park	\$ 404,118,850	\$ 348,913,600	\$ 55,205,250	15.82%
Town of Saluda	\$ 3,268,000	\$ 2,754,700	\$ 513,300	18.63%
Town of Fletcher	\$ 932,169,727	\$ 768,801,472	\$ 163,368,255	21.25%
Village of Flat Rock - Blue Ridge	\$ 559,493,550	\$ 494,283,245	\$ 65,210,305	13.19%
Village of Flat Rock - Green Rvr	\$ 272,963,300	\$ 248,408,933	\$ 24,554,367	9.88%
Village of Flat Rock - Valley Hill	\$ 118,278,800	\$ 108,543,400	\$ 9,735,400	8.97%
Total: Village of Flat Rock	\$ 950,735,650	\$ 851,235,578	\$ 99,500,072	11.69%
Town of Mills River	\$ 1,020,359,761	\$ 856,070,936	\$ 164,288,825	19.19%
MUNICIPAL TOTALS	\$ 5,313,620,766	\$ 4,414,016,485	\$ 899,604,281	20.38%
* The Downtown and 7th Avenue Special District Values are included in the City of Hendersonville Values				

How does the Reappraisal affect the Tax Base for Fire Districts?

FIRE DISTRICTS: INCREASE IN REAL PROPERTY TAX BASE 2018 V 2019				
	Taxable Value: 2019 PRELIMINARY	Taxable Value: 2018 ACTUAL BILLED	Increase in Base: \$	Increase in Base: %
Blue Ridge	\$ 883,327,925	\$ 746,941,024	\$ 136,386,901	18.26%
Valley Hill	\$ 1,642,598,752	\$ 1,460,452,774	\$ 182,145,978	12.47%
Edneyville	\$ 759,051,928	\$ 644,178,607	\$ 114,873,321	17.83%
Etowah / Horse Shoe	\$ 1,206,165,750	\$ 1,051,795,291	\$ 154,370,459	14.68%
Fletcher	\$ 834,235,985	\$ 693,410,158	\$ 140,825,827	20.31%
Green River	\$ 644,933,200	\$ 569,351,191	\$ 75,582,009	13.28%
Mountain Home	\$ 1,259,626,857	\$ 1,070,075,551	\$ 189,551,306	17.71%
Mills River	\$ 147,133,550	\$ 123,471,270	\$ 23,662,280	19.16%
Dana	\$ 468,740,082	\$ 399,228,411	\$ 69,511,671	17.41%
Gerton	\$ 126,119,868	\$ 104,597,379	\$ 21,522,489	20.58%
Raven Rock	\$ 204,574,450	\$ 181,276,365	\$ 23,298,085	12.85%
Bat Cave	\$ 98,650,258	\$ 85,621,888	\$ 13,028,370	15.22%

When are New Values Available?

- Reappraisal Notices were mailed on February 12, 2019.
- If the taxpayer agrees with the value listed, no response to our office is necessary.
- If the taxpayer has questions, there are several ways to seek answers:
 - Visit our website at www.hendersoncountync.gov/tax and select the link titled “2019 Reappraisal”. Information on specific parcels may be found by selecting the link titled “Online Tools”.
 - Email our office at taxdept@hendersoncountync.gov.
 - Contact our office by telephone at 828-697-4667.
 - Visit our office in the 1995 Courthouse located at 200 North Grove Street, Hendersonville, NC.



HENDERSON COUNTY ASSESSOR
200 N. Grove Street, Ste. 102
Hendersonville, NC 28792-5027
hendersoncountync.gov/tax
Email: taxdept@hendersoncountync.gov
Phone: 828/697-4667

2019 NOTICE OF ASSESSED VALUE

DATE OF NOTICE	MARKET AREA	ACREAGE	PARCEL NUMBER	PROPERTY DESCRIPTION
MARKET VALUE	EXEMPT VALUE	DEFERRED VALUE	ASSESSED VALUE	PHYSICAL ADDRESS OF PROPERTY

JMS
OEL
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CustomerName1
CustomerName2
Address1
Address2
Address3
City State ZipCode

Pursuant to NCGS §105-286, all real property within Henderson County has been reappraised. The Market Value indicated above represents 100% fair market value as of January 1, 2019. Market Value is based on studies of market conditions and is determined in accordance with NCGS §105-283. Please take notice that:

- The Assessed Value does not include reductions in value due to Tax Relief programs.
- The Assessed Value, less any value attributable to Tax Relief, will be the basis of your tax bill for FY2020, which will become due September 1, 2019.
- Should you disagree with the value indicated above, your appeal rights are outlined below.


IF YOU AGREE WITH YOUR VALUE, YOU DO NOT NEED TO DO ANYTHING. If you wish to file an informal appeal of your value, please do so within 30 days of the date of this Notice using the enclosed Informal Appeal Form. **Your appeal must be in writing.**

- You may appeal using one of three methods: (1) complete the informal appeal form enclosed with this Notice and return it by mail; (2) download and complete an informal appeal form from our website at www.hendersoncountync.gov/tax, then clicking on "Forms and Applications"; or (3) telephone the Assessor's office at (828) 697-4667 to request an appeal form.
- A review of your property value will result in the assessed value being unchanged, increased or decreased. You may appeal the appraised value if (1) the property is appraised for substantially more than its market value; or (2) the property is not equitably assessed when compared to similar properties. The assessment cannot be adjusted based on the amount of increase in assessed value or your ability to pay taxes.
- If the property is income-producing property (apartments, retail, shipping centers, offices, etc.), please attach income and expense statements for the previous three years. All income and expense information received will be kept confidential.
- This Notice is the result of a Countywide Reappraisal and you have the right to request an on-site review of your property. Your right to appeal to the Board of Equalization & Review is protected during the time we are considering the information you have provided concerning your informal appeal.
- Appellants who do not hold an ownership interest in the subject property must attach a completed Power of Attorney form signed by the property owner. A Power of Attorney form may be downloaded by visiting www.hendersoncountync.gov/tax, then clicking on "Forms and Applications". You may also contact the Assessor's Office to have a Power of Attorney form mailed to you.
- Documentation to support your opinion of value is essential. Please attach complete copies of any recent sales, appraisals, market analyses, closing statements, real estate listings, and/or income and expense statements, that occurred prior to January 1, 2019.
- When complete, please return the completed appeal form along with all documentation supporting your opinion of value to the County Assessor's office at 200 N. Grove Street, Suite 102, Hendersonville, NC 28792. It is not necessary for you to make a personal visit to our office. The written information you provide will be considered by our appraisers, and you will be notified by mail of their decision. Please be sure to include your day time and evening telephone numbers and an email address in the event an appraiser needs to contact you.
- If you disagree with the results of your Informal Appeal, you have the right to file a Formal Appeal with the Board of Equalization and Review. You may request a Formal Appeal any time prior to the adjournment date of the Board of Equalization and Review or within thirty (30) days of your last notice of Assessed Value. All requests for Formal Appeal must be in writing and on the proper form. Formal Appeal forms are available at the Assessor's Office and may also be downloaded from our website at www.hendersoncountync.gov/tax, then clicking on "Forms and Applications". The first meeting of the Board of Equalization and Review must be held no earlier than the first Monday in April and no later than the first Monday in May. Actual times and dates will be advertised in the local newspaper.

TAX RELIEF FOR ELDERLY OR PERMANENTLY DISABLED PERSONS OR DISABLED VETERANS
NCGS §105-277.1 provides three programs that relieve from taxation a portion of the appraised value of a permanent residence owned and occupied by North Carolina residents aged 65 or older or totally and permanently disabled whose income does not exceed \$30,200. The greater of \$25,000 or 30% of the appraised value of the residence may be excluded. A deferred lien program is also available. Income means the owner's gross income from all sources other than gifts, inheritances received from a spouse, lineal ancestor or lineal descendant. In addition, a Disabled Veteran Exclusion Program is available upon certification by the Veterans Administration. If you feel you may qualify for any of the Tax Relief Programs, please contact the Assessor's Office at (828) 697-4670 to request an application. All completed applications must be received by the Assessor's Office no later than June 1, 2019. Applications received after June 1, 2019 are considered untimely.

What if I disagree with my value?

- Each Notice will include an Appeal form.
- If the taxpayer disagrees with the value listed on the Notice, an Informal Appeal may be filed.
- When an Informal Appeal is filed, an Appraiser will visit the property and review the Appeal. The Assessor will notify the taxpayer in writing of the decision.
- Informal Appeals can be filed until April 15, 2019, when the Board of Equalization & Review (BOER) convenes.
- Once the BOER convenes, the Informal Appeal process ceases.
- The BOER will adjourn on May 15, 2019. **Once the BOER adjourns, no new appeals may be filed.** Timely-filed appeals will continue to be heard by the BOER.

 **HENDERSON COUNTY ASSESSOR**
200 N. Grove Street, Ste. 102
Hendersonville, NC 28792-5027
hendersoncountync.gov/tax
Email: taxdept@hendersoncountync.gov
Phone: (828) 697-4667

2019 INFORMAL APPEAL FORM

[BAR CODE]

DATE OF NOTICE	MARKET AREA	ACREAGE	PARCEL NUMBER	PROPERTY DESCRIPTION
MARKET VALUE	EXEMPT VALUE	DEFERRED VALUE	ASSESSED VALUE	PHYSICAL ADDRESS OF PROPERTY

IF YOU AGREE WITH YOUR VALUE, YOU DO NOT NEED TO DO ANYTHING. If you wish to appeal your value, please do so within 30 days of the date of this Notice using this form. Your appeal must be in writing.

OPINION OF VALUE:
What is the most probable price this property would sell for? \$ _____
Date you purchased the property: _____ Purchase Price: \$ _____
What is the basis for your opinion of value? (check all that apply and include copies of appraisals, closing statements, offers to sell, pictures or any other supporting documentation)
☐ Personal Judgment ☐ Recent Purchase ☐ Recent Asking Price ☐ Recent Appraisal ☐ Comparable Sale ☐ Recent Construction Cost

BUILDING INFORMATION:
Building Use: ☐ Residential ☐ Commercial ☐ Industrial
Building Type: ☐ Single Family Dwelling ☐ Duplex ☐ Condominium ☐ Manufactured Home ☐ Other: _____
Building Characteristics (check/complete all that apply)
☐ Central Heating ☐ Central Air Conditioning ☐ Other ☐ Number of Fireplaces: _____
Total Heated Area is _____ square feet

<input type="checkbox"/> Basement:	<input type="checkbox"/> Fully Finished	<input type="checkbox"/> Partially Finished	<input type="checkbox"/> Unfinished
<input type="checkbox"/> Attic:	<input type="checkbox"/> Fully Finished	<input type="checkbox"/> Partially Finished	<input type="checkbox"/> Unfinished
<input type="checkbox"/> Garage:	<input type="checkbox"/> Fully Finished	<input type="checkbox"/> Partially Finished	<input type="checkbox"/> Unfinished

List other structures located on property (barn, garage, shed, etc.): _____

INCOME INFORMATION (For properties rented or leased to others):
Please submit income and expense statements for the last three years

DO YOU WISH TO REQUEST AN ON-SITE VISIT OF YOUR PROPERTY? ☐ Yes ☐ No

ADDITIONAL INFORMATION THAT SUPPORTS OWNER'S OPINION OF VALUE: (Please attach additional pages if necessary)

OWNER'S CONTACT INFORMATION
Name: _____ Daytime Phone: _____ Evening/Mobile Phone: _____
Email Address: _____

AFFIRMATION:
Under penalty prescribed by law, I hereby affirm to the best of my knowledge and belief all information submitted on this Informal Appeal form, including any accompanying statements and other information, as true and complete.

Signature of Owner: _____ Date: _____

PLEASE ENSURE THIS FORM IS FULLY COMPLETED. After completion, please return this form WITHIN 30 DAYS to the Assessor's Office at 200 North Grove Street, Suite 102, Hendersonville, NC 28792. Documentation to support your opinion of value is essential. Please attach complete copies of any documentation you have to support your opinion of the value of the property. Any supporting documentation you submit must be dated prior to January 1, 2019. If you have questions, please telephone the Assessor's Office at (828) 697-4667. Please allow two to four weeks for your Informal Appeal to be processed.

QUESTIONS?